market?

A. Yes. In recent negotiations with several large business customers in the Ameritech region who were interested in using sprint as their local service provider, Sprint was unable to offer the end use a competitive service rate due the exceedingly high non-recurring charges Ameritech has imposed on the CLEC's for the installation and provisioning of ISDN lines. Ameritech has offered to waive these non-recurring charges to the end user if the end user will sign a contract guaranteeing a specific commitment to term. In a wholesale/resale environment, Ameritech has complete control of its costs and charges for non-recurring services. The tariffs filed by Ameritech to date for these services reflect little or no discount to the non-recurring charges. It is standard operating practice for the ILEC to waive non-recurring charges when negotiating with an end user. Denying Sprint the ability to avoid to reduce these charges, consistent with the service Ameritech offers to its end users, results in Sprint either being required to operate at a loss if it in fact tries to absorb these costs, or causes Sprint to be unable to compete with the ILEC. The end result is that sprint is not able to offer the end user a truly competitive service as long as they are dependent on the services of Ameritech which is not consistent with the intentions of the Telecommunications Act or the FCC's Order.

Q. Has Sprint experienced any problems with Ameritech's refusal to rebrand Operator Services and Directory Assistance?

A. Yes. Ameritech continues to refuse to rebrand its Operator Services (OS) and Directory Assistance (DA) services with the "Sprint" brand. In its Second Report and Order in CC Docket 96-98, the FCC requires ILECs to comply with technically feasible requests to rebrand OS and DA in the CLEC's name, or to remove the ILEC's brand name. Likewise, this Commission has ordered rebranding of OS in the CLEC's name where technically feasible. Sprint believes that rebranding of OS and DA is technically feasible, and Ameritech has not demonstrated otherwise. To date, at least one other RBOC, Southwestern Bell, has agreed to rebrand OS and DA service that is resold to Sprint. GTE has agreed to unbrand all OS and DA, including its own, unless prohibited by state commission regulations, until such time as GTE is able to brand for the CLEC. These technically feasible solutions provide parity between the ILEC and the CLEC. Providing service with the CLEC brand is essential for a CLEC to be able to obtain customers. The FCC agrees with the importance of branding to a competitive entrant. In its August 8, 1996 Order in CC Docket No. 96-98, paragraph 128, the FCC recognized the importance of branding in a competitive market noting that "branding plays a significant role in markets where competing providers are reselling" the services of ILECs. The FCC concluded that an ILEC's continued use of its brand when providing service to a CLEC's customer under contract "clearly advantages" ILECs such as Ameritech. As a result, the FCC stated that an ILEC's "failure to comply with the reasonable, technically feasible request of a competing provider to rebrand operator services in the competing provider's name, or to remove [the ILEC's] brand name, creates a presumption that the [ILEC] is unlawfully restricting access to these services by competing providers."

Q. Are there other areas where branding is important to Sprint's entry into the local market as a CLEC?

A. Yes. This same branding concern extends to directory publication and Yellow Page advertising. Ameritech has denied Sprint parity treatment with respect to Yellow Pages advertising. For example, when Ameritech customers buy a business line from Ameritech, they receive a free Yellow Page listing. Sprint wants equal treatment for its customers, which Ameritech has refused to provide. Ameritech contends that Yellow Page advertising is not a telecommunications service covered by the Act.

Advertising sold and billed by Ameritech's directory publishing arm is another area where Ameritech attempts to put CLECs at a competitive disadvantage. Ameritech's directory publishing company bills through its incumbent LEC, Ameritech. When the customer switches to Sprint (or another CLEC), this method of billing for Yellow Pages allows Ameritech to have continued contact with the customer for marketing and win-back opportunities, thus undermining Sprint's ability to retain customers. In a competitive environment, a Sprint CLEC customer should not receive a bill from the incumbent LEC.

Ameritech refuses to provide Sprint with an exclusive Sprint Information Page in the white pages (either free or for purchase) or to make additional information pages available for purchase. This impairs Sprint's ability to attract and retain local service customers. The manner in which Sprint's, or any other CLEC's, customer information is incorporated into Ameritech's directory has a significant impact on brand recognition, market success, and customer retention. If customers cannot easily find the CLEC's contact information for ordering and repair, they will go where it is easier to do business.

Q. What is the current status of the directory issues?

A. Sprint is being required to negotiate a separate directory advertising and publishing contract with Ameritech's affiliate. The outcome of these negotiations is yet unknown. A satisfactory resolution of these directory issues is crucial to Sprint's successful entry into the local market. The accuracy of, and parity in the provision of directory service to business end users impacts the most lucrative sector of the local market.

Q. Has Ameritech refused to provide dialing parity to Sprint?

A. Yes. Ameritech has said that it will continue to provide N11 dialing for its own customers to reach Ameritech's business office and service centers; however, Ameritech refuses to provide similar dialing arrangements for customers of Sprint and other CLECs. This lack of dialing parity makes it more difficult for CLEC customers to reach their local service provider with service or repair requests than it is for Ameritech customers to reach their local provider. Customers have been conditioned over many years to access "the telephone company" by dialing the three digit abbreviated dialing scheme. For Ameritech to retain this three digit dialing access code exclusively would yield a competitive advantage vis-á-vis any new entrant. By making it easier for customers to do business with Ameritech than with a CLEC, Ameritech hinders the ability of CLECs to attract customers and impedes the development of local competition.

Q. Does Ameritech's interpretation of the Most Favored Nations (MFN) provision of the Telecommunications Act promote entry by CLECs into the local market?

A. No. Ameritech interprets the Act's MFN provision broadly. Ameritech does not read

the MFN provision to require that any individual price, term and/or condition offered to any carrier by Ameritech must also be offered to any other carrier. Ameritech's interpretation of MFN impedes the ability of CLECs to enter the local market on a competitively neutral basis. Non-discriminatory treatment of all carriers is essential to the creation of a truly competitive local service market. During this period of emerging competition where negotiations are rapidly progressing simultaneously, it is critical that the regulators establish rules that ensure competitive neutrality among the various market entrants. As discussed more thoroughly in Mr. Phelan's testimony, it is important that no entrant gain an advantage due to its size or by making trade-offs within agreements. If one carrier is able to negotiate non-cost-based discounts or superior service terms, it will have a chilling effect on competition and unfairly and unreasonably predetermine which carriers will succeed and which carriers will fail in the marketplace. Each carrier should be provided an equal opportunity to succeed or fail. In the end, it should be the consumers who select the winners and the losers in this new competitive market. Ameritech's approach to MFN, however, would improperly permit Ameritech to discriminate against some CLECs in favor of others.

Question 9 - Are Ameritech operations support services tested and operational?

Q. What is the current status of Sprint's negotiations regarding the use of Ameritech's Pre-Order interface?

A. An effective electronic interface which provides timely access to Customer Service information is crucial to any CLEC attempting to enter the local market via the resale of the ILEC's services. The interface currently being offered by Ameritech

has not been deployed for use by any major CLEC, and in fact may not be operationally in use by any of Ameritech's competitors today. While Sprint is evaluating this interface for its potential use, the fact that it has not be adequately tested with any high volume competitor continues to place serious doubt around Ameritech's ability to handle either the volumes generated by multiple competitors simultaneously or support the highly sensitive response times required for this type of interface when dealing with on-line customer sales.

While Ameritech continues to claim that this interface is both operationally ready and that its ensures operational parity with its retail operations, they cannot currently demonstrate the systems ability to handle either the volumes or the response times which will be required by large local service competitors such as AT&T or Sprint. While Ameritech has been progressive in searching for an electronic solution to this business requirement in accordance with the FCC's request, none of the demonstrations or testing conducted to date have been able to verify that this interface will in face provide the parity necessary for Sprint's entry into the Ameritech local market.

Sprint and Ameritech are currently working together to address these concerns and the parties have agrees to support joint interface testing that will determine Ameritech's ability to meet Sprint business needs. It is important to note however that Sprint will probably not be the largest competitor requiring support from Ameritech and the stress on this interface from multiple high volume users is the only way to ultimately determine if the interface is in fact capable of supporting local market entry at parity with Ameritech's retail operations.

Q. Are Ameritech's interfaces, in fact, operationally ready?

A. No. Operational Readiness is the final phase of a systems development effort. An interface between two systems and two or more players is deemed to be operationally ready only when the two systems work together satisfactorily with the underlying systems on both sides of the interface delivering the services for which the interface was designed. Ameritech can not unilaterally declare that its interfaces are operationally ready because Ameritech is only one of the interface users and can not complete an adequate operational readiness test without the support and involvement of the other interface user or partner. In a competitive environment, this testing can not be satisfactorily completed and certified to meet the parity test with a "hand-picked" partner. System testing should demonstrate that the system not only performs according to its design requirements but that the defined business rules support an accurate exchange of data and the ability to process the transactional load at volumes which should be reasonably expected to occur as the competitive marketplace develops. This load can not be adequately tested by merely increasing the volumes of data loaded from a single point but by combining the volume requirements with the complexity of multiple users launching transactions from various entry points and sequences. This condition is difficult to address in a "test" environment but is essential to support a claim of parity and operational readiness.

Sprint's evaluation is inconsistent with Ameritech's February 13, 1997 Comments on Staff's Draft Memorandum which stated that "Ameritech Wisconsin's OSS interfaces are operational and will satisfy the demands of the marketplace." Ameritech's Comments on Staff's Draft Memorandum, February 13, 1997, pg. 16.

Q. What other concerns with Ameritech's electronic interfaces have you discovered?

A. When I met with Ameritech representatives, Paul Monti and Darlene Siejkowski in Milwaukee, I was able to determine that while Ameritech has provided specifications for electronic interfaces to its ordering, provisioning, and maintenance systems, Ameritech is only testing its Pre-order interface with one small carrier and no carrier is interfacing with Ameritech using its proposed interface for Trouble Reporting. While Ameritech has been pro-active in attempting to identify automated solutions for interfacing with its new local competitors, its proposals have not yet been adopted by any of the large carriers for testing and deployment. Many of the CLECs seeking to do business within Ameritech's operating region are working within the established industry forums to support the design and adoption of standards for local service processes which require electronic interfaces with the incumbent local exchange carriers. AT&T and several other industry players are working together to develop the business requirements for Pre-order. This proposal will be presented to the ECIC (Electronic Communications Committee) no later than second quarter, 1997 for its evaluation. The Industry has adopted standards for service order processing; however, the version and guidelines that the majority of the major CLECs need to deploy are not currently being supported by Ameritech. Ameritech has deployed a hybrid of the TCIF Guidelines, Releases 5, 6 and 7 using EDI X12 Standard Transaction set Version 3030, while AT&T and Sprint both need Ameritech to support Version 3050 utilizing TCIF Guidelines - Release 7. Release 7 is the first EDI version defined for local competition industry standards. While several carriers may be actively working with Ameritech to understand its specifications and either influence the adoption by the industry of these as acceptable standards or design software solutions

to meet these interfaces as "customized" solutions, they can not be tested for parity in performance and assumed to meet the FCC checklist requirements until they have been adequately tested and deployed.

Q. What is required of Ameritech to provide parity of access?

A. In order to establish parity of access, Ameritech must demonstrate that its OSS interfaces provide (1) equivalence of information availability, (2) equivalence of information accuracy, and (3) equivalence of information timeliness. Ameritech has apparently agreed with this definition of parity since it has agreed to measure its performance for these exact parameters both in previously filed testimony, as well as proposed contracts with both AT&T and Sprint. Equivalent information means that Ameritech must deliver to the CLEC, to no lesser a degree than it does for its own operations all data necessary to support a specific transaction. Equivalent information accuracy requires that the information exchange pass three critical tests: it must comply with an agreed upon data format and structure, documented and clearly understood by both/all parties to the transaction, there must be agreed upon business rules for interaction between the parties, and there must be demonstrated end-to-end transaction integrity, including load capacity testing. An interface that operates satisfactorily at low volume but "chokes" under a volume or capacity test designed to mirror an operational environment with likely market volumes or when processing input from multiple CLEC entry points simultaneously will place all new entrants at a distinct competitive disadvantage relative to Ameritech. Ameritech does not utilize its proposed interfaces for its own local service provision today and it has not yet proven its ability to provide operational parity to its competitors.

Q. Do Ameritech's systems satisfy the parity requirements under the FTA?

A. No. The systems proposed by Ameritech do not meet these parity tests because they are not currently deployed for widespread CLEC use. Any use of these interfaces has been limited at best and the majority of them have been undergoing design changes throughout the 4th quarter of 1996. All the specifications that have been provided to Sprint have dealt with the total service resale and no specifications or implementation meetings have been held between Ameritech and Sprint to address the ordering and provisioning of unbundled elements. Based on previous discussions with Ameritech, it is Sprint's understanding that Ameritech plans to use the existing ASR (access service request) format and access billing systems. These systems and processes were designed for access purposes and are not necessarily the preferred solution for provisioning and settlement of local unbundled elements. While Ameritech may in fact be using these systems for interface with some CLECs/CAPs today, the processes they support pre-date the 1996 FCC decisions and were not designed to support unbundled elements as they are currently defined.

Q. Do Ameritech's interfaces adhere to industry standards?

A. No. Ameritech's interfaces do not adhere to industry standards. When systems are used for purposes other than those intended in their original design, they must be modified and/or refined to meet the new needs. Modifying and redefining systems that have previously been deployed and which are currently operational with other companies, requires coordination of both the system design as well as their associated business rules. No company, including Ameritech, can arbitrarily redefine industry accepted standards without negatively impacting the users of these systems and interfaces.

Contrary to Ameritech's contentions, its OSS interface solutions do not always adhere to industry standards; there are in fact numerous cases where Ameritech has essentially over-ridden industry standards and developed or imposed an Ameritech requirement or definition. While realizing that there are no industry standards for many local processes and functions and recognizing that Ameritech has made the effort to move forward in an effort to meet the federal requirement for electronic interfaces by January 1, 1997, Ameritech's customized approach will complicate market entry for any CLEC who wishes to enter the local market in more than one ILEC territory.

Q. Does Ameritech's position on operational interfaces impact Sprint's ability to enter the local market as a CLEC?

A. Yes. Sprint requires the development and deployment of industry standard electronic interfaces for access to ILEC operational systems. The FCC requires the ILEC to provide nondiscriminatory, automated operational support systems, to enable new entrants access to pre-order, order, installation, provisioning, and repair services as well as the ability to assign numbers, monitor network stations (maintenance), and bill local service to their end user customers. Ameritech has provided specifications for several interfaces to provide access into Ameritech's systems and processes; however, they are not industry standard interfaces. Sprint is currently reviewing Ameritech's specifications, as well as working with all other ILECs, in an effort to support the establishment of industry standards for interfaces that can be used across the country by all ILECs and competitors for effective market entry and data exchange. Recognizing the FCC's deadline of January 1, 1997 for electronic interfaces, Sprint cannot support the development of customized interfaces with each ILEC. The time and resources

required to support this type of ILEC-specific interface would be crippling to Sprint's market entry. Sprint has requested that Ameritech support, at least for an interim period, a manual mode of interface; however, Ameritech initially has refused this request despite the fact that Ameritech has allowed manual processing with other carriers. Realizing that manual activity is both burdensome and error prone, Ameritech must work with Sprint to develop industry standard interfaces. Even if Sprint were in a position to develop the required interfaces to meet Ameritech's customized designs, they likely could not be in place until sometime in 1997, ~~based on Ameritech's plans to deploy their pre-ordering system solutions in December of 1996.~~

Q. Do Ameritech's proposed operational interfaces meet Sprint's requirements as a CLEC?

A. It is too early to tell. The mere fact that Ameritech has provided specifications for electronic interfaces does not guarantee that they actually work or that they will in fact provide parity in performance to the ILEC's internal systems. Timely access to customer information, service establishment, and trouble resolution will determine the ultimate success or failure of any competitor. Especially in a resale mode, the quality of the product that Sprint will be able to offer is directly dependent on the quality of Ameritech's services. Actual implementation of operational interfaces between Sprint and Ameritech will be a complex and detailed procedure. Until Ameritech's proposed operational interfaces have been implemented and are actually working in practice, Sprint will not know whether they meet Sprint's requirements or, for that matter, the requirements of the Act and the FCC.

Q. How does Ameritech's customized approach complicate market entry?

A. Developing and deploying multiple versions of operational interfaces will negatively impact market entry by requiring increased development cost and extended time lines simply to meet the ILEC defined solutions. True local competition will not exist until the CLEC is able to consistently interface with the ILEC in a nondiscriminatory manner.

Q. What else did you learn from your meeting with Ameritech?

A. When Sprint met with the operations team assigned to the trouble reporting process, I was also told that they currently had no carrier transmitting data to Ameritech over its electronic trouble reporting system ("Electronic Bonding"). Ameritech's February 13, 1997 Comments on Staff's Draft Memorandum indicate that Ameritech has developed an electronic interface for repair and maintenance for unbundled network elements which is fully tested and operational. Ameritech's Comments on Staff's Draft Memorandum, February 13, 1997, pg. 16. However, because Ameritech has acknowledged to me that no carrier is using this system to transmit data, it is impossible to determine whether implementation is effective or even if the interface works at all. Ameritech has pro-actively initiated an effort to take an industry standard process (access trouble reporting) and redefine it for local use. The industry is evaluating this system for local service use but none of the records have been defined for local use by the industry. Ameritech's proposed record definitions may ultimately affect the industry's decisions but any system development that matches Ameritech's interface today may subsequently require significant modification to meet industry standards for interface with other carriers. It must be understood that Ameritech's use

of standard interfaces, specifications, facilities, procedures and practices are not industry standard interfaces for local services because such standards have not yet been developed in the appropriate industry forum. In all likelihood, Ameritech will not be able force its "standard" upon the industry.

Q. Does Ameritech provide any operational electronic interfaces today?

A. The only "resale" electronic interface that Ameritech has in operation today with a carrier is its Electronic Service Ordering process which is based on an older version of the industry standards for EDI. Sprint has requested that Ameritech bring its Service Order interface up to the current EDI standards being supported by the industry forums, (Issue 7). Sprint is currently working with all of the RBOCs, as well as several other CLECs, to ensure deployment of a national Service Order standard as quickly as possible. Even though Ameritech is currently providing service over their existing interface, it does not comply with the current industry standards. Any CLEC who builds to meet Ameritech's specifications will not be able to use this same interface with any other RBOC, driving up the costs as well as extending the timeline for market entry. It is my understanding from our meeting and review with the Wisconsin Service Center personnel that there are a few small carriers interfacing with Ameritech today using this electronic application; however they "cautioned" us that we should require and support weekly conference calls when we initiate the use of this application with their company. Ameritech's operations staff believe that working through the difficulties of implementing this process will require resource commitments by both companies prior to its use in any local service environment. Warren L. Mickens, in an affidavit filed at the FCC, stated that "resellers also have existing escalation procedures available to them." Affidavit of Warren L. Mickens, CC Docket No. 97-1, p. 25, ¶ 26. (Attachment 3).

Yet, during Sprint's visit to Ameritech's Milwaukee service center, I was informed that there was no escalation procedure in place with regard to services provided to carriers through the center. Sprint and Ameritech have agreed to negotiate operational processes and procedures under the contractual guidelines established for the joint development of an Operations Manual which will be incorporated into the Interconnection Contract as Schedule 18.2. This negotiations are only in the initial stages.

Q. **What is the current status of Ameritech's interface designed for local market trouble reporting and maintenance requests?**

A. Ameritech has established a separate service center in Milwaukee to handle CLEC maintenance (trouble reporting) requirements. The interface proposed by Ameritech for maintenance purposes is supposedly based on a system that it currently has in place for access trouble reporting. As previously stated, when systems are used for purposes other than those intended in their original design, they must be modified and/or refined to meet the new needs. Modifying and redefining systems that have previously been deployed and which are currently operational with other companies, requires coordination of both the system design as well as their associated business rules. No company, including Ameritech, can arbitrarily redefine industry accepted standards without negatively impacting the users of these systems and interfaces. Contrary to Ameritech's contentions, its OSS interface solutions do not always adhere to industry standards; there are in fact numerous cases where Ameritech has essentially over-ridden industry standards and developed or imposed an Ameritech requirement or definition. Based on operational meetings Sprint has held with Ameritech (Carol Linder, Manager, Wisconsin AIIS, CRU), there is no CLEC currently using the

interface it has defined for local market trouble reporting and maintenance requests. Even if Ameritech's proposed solution is accepted as a baseline for an industry standard application, its ability to provide operational support at a level that can support the transactional load anticipated in a competitive market at a level and quality of service which is at parity with the incumbent LECs is uncertain at best. As with all components of the operational implementation plan, there must be established procedures for reporting performance levels, providing status of customer impacting issues, as well as a formal escalation process for issues that are not handled in accordance with performance levels that are in agreement with established procedures at parity with the ILEC's service to its own end users.

Q. Is Ameritech willing to accommodate Sprint's request for support of an interim manual interface?

A. No. As this Commission well knows, Sprint went into arbitration with Ameritech requesting support of a interim manual interface until such time as "industry standard" electronic interfaces could be designed and deployed. While this had been acceptable to the operations implementation team in previous discussions, when we requested that this process be supported by the proposed interconnection contract, Ameritech refused.

Q. Why did Ameritech refuse Sprint's request for interim manual interfaces?

A. Ameritech's legal and regulatory response was that because it was required by the FCC to provide electronic interfaces by January 1, 1997, Ameritech should not be required to support manual interfaces, especially with a company the size of Sprint. Ameritech subsequently, at the request of the Illinois Commission, submitted a cost study which

indicated it took them an average of 12 additional minutes to process a manual service order and Sprint should be required to remit approximately $300,000 to Ameritech for a proposed six month interim period processing based on an estimated 300 orders per day. Sprint went into hearing before the Illinois Arbitration Panel in December and disputed both the basis of the cost, the volumes used by Ameritech for daily averages and duration, as well as the time estimate used for order processing. As such, Gregory J. Dunny's support for manual interfaces in an FCC affidavit, when it is convenient for Ameritech, is surprising and inconsistent with Ameritech's position in its arbitration with Sprint. Affidavit of Gregory J. Dunny, CC Docket No. 97-1, p. 30, ¶ 59. (Attachment 4).

When Sprint asked for manual interfaces on an interim basis, Ameritech strongly objected on the basis that manual interfaces would be burdensome to Ameritech and error prone. Apparently, Ameritech considers anything to be burdensome which differs from its current operating practices. Even more confusing are the statements by Mr. Joseph A. Rogers in an affidavit filed at the FCC that "the Company has built substantial spare capacity into its manual processing capabilities. The speed of manual processing compares favorably with the speed of electronic processing." Affidavit of Joseph A. Rogers, CC Docket No. 97-1, p. 26, ¶ 12. (Attachment 5).

In Sprint's meeting on January 7, 1997 with Ameritech's Customer Service - Resale Manager, Darlene Siejkowski, we were able to confirm that the average processing time for an "as is" service order is approximately 3 minutes with an additional two minutes required if the order is for a new end user (i.e., new service order requiring provisioning etc.). The service center also believes that the appropriate non-recurring service order charge for "as is" requests should be limited to a change in responsibility

because the only action Ameritech must take is to pull up the "existing customer account and change the billing name and address and identify the customer with the appropriate CLEC account indicator(s)."

Q. Has Ameritech offered any interim solutions for supporting local market trouble reporting and maintenance requests?

A. Ameritech is willing to support a manual process until Sprint can develop and deploy an electronic interface compatible with Ameritech's proposed solution. The manual process Ameritech is willing to support is supposedly consistent with the process provided to other CLECs today; however, it is limited to telephone contact and paper fax and is highly inferior to interim solutions being provided by other RBOCs. This manual process does not provide timely status reporitng for any troubles reported to Ameritech. Other RBOCs, such as NYNEX and PacBell, have developed interim solutions that provide trouble reporting and maintenance to their CLEC customers which will allow Sprint to effectively enter their markets prior to the development and deployment of an "electronic bonding" solution. Electronic bonding is required to ensure parity with the ILEC's operational support processes. While Ameritech's proposed solution may in fact be very close to the electronic solution being adopted by the industry forums, the timeline for CLEC deployment of a compatible interface impacts their market entry timeline. The lack of an acceptable interim solution for maintenance support in the Ameritech region will negatively impact Sprint's market entry plans. Sprint is continuing their efforts to work with Ameritech to identify and implement acceptable interim processes.

Q. Would you please summarize your testimony?

A. Until Ameritech's proposed operational interfaces have been implemented and are actually working in practice, it is impossible to determine whether performance parity is being provided and the requirements of the Telecommunications Act of 1996 are being met. Unless there is a true commitment to working together to find acceptable solutions and alternatives, local competition may never be effectively realized and the spirit of the 1996 Telecommunications Act will never be fulfilled.

Q. Does this conclude your testimony?

A. Yes it does.

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BEFORE THE PUBLIC UTILITIES COMMISSION

IN AND FOR THE STATE OF CALIFORNIA

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MCI TELECOMMUNICATIONS CORPORATION,
Complainant,
vs. NO. 96-12-026
PACIFIC BELL AND PACIFIC BELL COMMUNICATIONS,
Defendants.

AT&T COMMUNICATIONS OF CALIFORNIA, INC.
Complainant,
vs. NO. 96-12-044
PACIFIC BELL,
Defendant.

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DEPOSITION OF LAURA SCHWARTZ

April 1, 1997

REPORTED BY:
SANDRA L. CARRANZA, CSR NO. 7062, RPR

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1 APPEARANCES

2

3 FOR PACIFIC BELL:

4 PILLSBURY, MADISON & SUTRO
BY: ED KOLTO-WININGER, ATTORNEY AT LAW

5 235 Montgomery Street

San Francisco, California 94104

FOR MCI:

LeBOEUF, LAMB, GREENE & MacRAE
BY: THOMAS E. McDONALD, ATTORNEY AT LAW
One Embarcadero Center, Suite 400
San Francisco, California 94111

and

MCI
BY: EVELYN C. LEE, ATTORNEY AT LAW
201 Spear Street
San Francisco, California 94105

FOR AT&T:

AT&T
BY: JULIAN C.L. CHANG and WILLIAM A. ETTINGER,
ATTORNEYS AT LAW
795 Folsom Street, Suite 670
San Francisco, California 94107

--- o0o ---

TAKEN AT:

LeBOEUF, LAMB, GREENE & MacRAE
One Embarcadero Center, Suite 400
San Francisco, California 94111

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BE IT REMEMBERED THAT, pursuant to Notice of Taking Deposition and on Tuesday, April 1, 1997, commencing at the hour of 10:05 a.m., before me, SANDRA L. CARRANZA, CSR NO. 7062, RPR, there personally appeared

LAURA SCHWARTZ,

called as a witness by the Complainants, who, having been first duly sworn, was examined and testified as hereinafter set forth.

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LAURA SCHWARTZ

having been duly sworn, testified as follows:

EXAMINATION BY MR. McDONALD

MR. McDONALD: Q. Can you state your name, please.

A. Laura Schwartz.

Q. Can you spell it.

A. S-c-h-w-a-r-t-z.

Q. By whom are you employed?

A. Pacific Bell.

Q. How long have you been employed?

A. 10 years.

Q. I will be asking you a series of questions and Mr. Ettinger or Mr. Chang may also ask you some questions. What I'd like you to do is wait until you have heard the entire question, and then respond orally, just as you have been doing thus far, so that the court reporter can take down your statements. Have you been deposed before? Have you ever given testimony before?

A. No.

Q. Now, let me show you a document.

I guess we can have this marked Exhibit 10, I believe.

(Whereupon, Exhibit No. 10 was marked for identification.)

MR. McDONALD: Q. Have you seen a copy of what's been marked Exhibit 10?

A. No.

Q. Maybe the question is to be posed to Mr. Kolto-Wininger.

This deposition was intended to examine a Pacific Bell witness on certain matters, and on page 2 of what's been marked Exhibit 10, it says that the matters to be examined at the deposition are aggregate industry resale order volume forecasts, Pacific Bell's resale order volume forecasts and Pacific Bell's use of said forecasts.